

**August 8, 2006**

**SUBJECT:** Authorization to Increase Expenditures under an Existing Contract for Tree Pruning and/or Removal Services (F0506-103)

**REPORT IN BRIEF**

Approval is requested to increase authorized expenditures under an existing blanket purchase order with TruGreen Landcare of San Jose for tree pruning and/or removal services for the Department of Parks and Recreation Parks Division.

**BACKGROUND**

A variety of tree trimming and tree and stump removal services are required at City parks and golf courses as well as the cleanup and disposal of trimmings at the completion of each project.

Competitive bids for tree pruning services were solicited in September 2004. As the result, one-year blanket purchase orders were awarded to TruGreen Landcare of San Jose, International Tree Experts of San Jose and West Coast Arborists of Anaheim under the City Manager's contract award authority. The intent of this multiple award was to provide a pool of qualified firms from which City staff could solicit informal quotes on a job-by-job basis. This approach was taken because past efforts to contract with a single firm resulted in scheduling conflicts and delays for City tree pruning projects.

The multiple award process worked well during the first one-year contracts. Individual projects were quoted, as required; and all three contractors successfully quoted and were awarded City tree pruning projects. Expenditures during the first year (October 2004 through September 2005) were as follows: International Tree Experts - \$17,924; TruGreen Landcare - \$42,940; and West Coast Arborists - \$46,400.

On October 1, 2005, another one-year purchase order was awarded to each of the three contractors, based upon the 2004 competitive bid. During the second contract term, however, most of the work has been performed by TruGreen Landcare, primarily because the other two contractors have been busy with other work and unavailable when their services were required by the City.

Expenditures from October 1, 2005, to date have been as follows: International Tree Experts - \$8,394; TruGreen Landcare - \$50,000; and West Coast Arborists \$4,872.

### **DISCUSSION**

Although the current purchase order will not expire until the end of September, expenditures with TruGreen have already reached \$50,000. Any further services by TruGreen will result in expenditures in excess of the City Manager's contract award authority; and Council action is, therefore, required.

It is estimated that an additional \$40,000 will be required for tree pruning services through September 30, 2006. If the majority of this work is awarded to TruGreen as has been the pattern over the past several months, it is estimated that an additional \$30,000 will be required under the TruGreen contract.

Purchasing staff has issued a competitive bid for tree pruning and removal services, beginning October 1, 2006. Total annual expenditures for these services are anticipated to be approximately \$120,000. Multiple one-year purchase orders will again be awarded under the City Manager's contract award authority to facilitate informal quotations on a job-by-job basis. While this process has been problematical this year, it worked exceptionally well during its first year; and staff believes there is insufficient experience to justify discarding the process at this time.

### **FISCAL IMPACT**

Total cost to the City under the existing TruGreen Landcare purchase order will be \$80,000 (\$50,000 already expended plus an additional \$30,000 for services through the end of September 2006). Funds are available in various Parks and Recreation Department operating budgets.

### **RECOMMENDATION**

It is recommended that Council increase authorized expenditures by \$30,000 under an existing blanket purchase order with TruGreen Landcare for tree pruning and/or removal services, making a total one-year contract amount of \$80,000.

Prepared by:

Elaine Wesely  
Purchasing Officer

Reviewed by:

Mary J. Bradley  
Director, Finance

Reviewed by:

David Lewis  
Director, Parks and Recreation

Approved by:

Amy Chan  
City Manager

**Attachments**

1. Draft Purchase Order Change Order
2. Existing Blanket Purchase Order



**CITY OF SUNNYVALE  
CALIFORNIA**

DRAFT

**CHANGE ORDER NO 1  
TO PURCHASE ORDER NO 27823-B**

<b>SUPPLIER</b> 01130-007  TRUGREEN LANDCARE ATTN TODD HUFFMAN 2000 OAKLAND RD SAN JOSE CA 95131  408-321-8733	CHANGE ORDER DATE	<b>Address correspondence to:</b>  <b>City of Sunnyvale Finance Department Purchasing Division PO Box 3707 Sunnyvale CA 94088-3707</b>
	7/18/2006	
	PO DATE	
	10/1/2005	
	PR NO	
	PR DATE	

**PURCHASE ORDER IS CHANGED AS FOLLOWS:**

Increase contract not-to-exceed amount from \$50,000 to \$80,000.00  
to provide tree pruning and /or removal services.

Approved by City Council 7/25/2006 RTC \_\_\_\_\_.

**ALL OTHER TERMS AND CONDITIONS OF THE PURCHASE ORDER REMAIN UNCHANGED.**

<b>BUYER</b>	<input type="checkbox"/> INTERNAL DISTRIBUTION ONLY
	<b>COPY TO: Parks &amp; Recreation</b>
  _____ Dreama Howard Phone (408) 730-7396 Fax (408) 730-7710 ▼	<input type="checkbox"/> Materials <input checked="" type="checkbox"/> Services <input type="checkbox"/> Formal



**CITY OF SUNNYVALE  
CALIFORNIA**

**BLANKET ORDER NO 27823-B**

<b>ORDERED FROM</b> 01130-007  408-321-8733  TRUGREEN LANDCARE ATTN TODD HUFFMAN 2000 OAKLAND ROAD SAN JOSE CA 95131	ORDER DATE	8/18/2005	<b>BILL TO:</b>  City of Sunnyvale Finance Department Accounts Payable PO Box 3707 Sunnyvale CA 94088-3707
	START DATE	10/1/2005	
	END DATE	9/30/2006	
	BID/RFQ NO	F0409-11	
<b>DELIVER TO</b>  PARKS & RECREATION PARKS DIVISION CITY SITES AS REQUIRED	FOB		FREIGHT CHARGES
	DESTINATION		
	PAYMENT TERMS	NET 30	REQUISITIONER
	PR NO	491-BPO	SCOTT MORTON X7539
OTHER DEPTS/DIVISIONS AUTHORIZED TO USE THIS ORDER			CHARGE/OBJ CODE(S)
			VARIOUS
			THIS ORDER SUPERSEDES PO NO
			27347-B
<b>DESCRIPTION</b>			
Blanket order to provide tree pruning and/or removal services as required by the City of Sunnyvale Parks and Recreation Division for a one year period, with an option to renew for one additional one year period, according to the specifications stated in Invitation for Bids F0409-11.			
<u>Pricing:</u>			
Tree Trimming & Removal Services Using a Three Person Crew      HR      \$120.00			
One Additional Tree Worker      HR      \$40.00			
One Additional Ground Worker      HR      \$38.00			
Stump Removal      Diameter Inch      \$5.00			
Each job shall be quoted separately and approved prior to start of work.			
All work to be done at the direction of the Parks & Recreation staff ONLY.			
All invoices must reference this order number.			
Total value of this Purchase Order Not To Exceed			\$50,000.00
<b>BUYER</b>			
<hr/>			
Dreema Howard    Phone (408) 730-7396    Fax (408) 730-7710    ▼			